

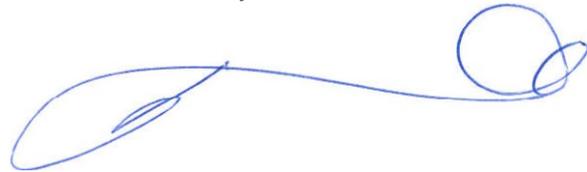
December 1, 2015

The Honorable Michael Froman
United States Trade Representative
600 17th Street, N.W.
Washington, D.C. 20508

Dear Ambassador Froman:

In accordance with section 5(b)(4) of the Bipartisan Trade Priorities and Accountability Act of 2015, and section 135(e) of the Trade Act of 1974, as amended, I am pleased to transmit the report of the Industry Trade Advisory Committee on Building Materials, Construction, and Non-ferrous Metals (ITAC 9) on the Trans-Pacific Partnership, reflecting consensus advisory opinion on the proposed Agreement.

Sincerely,

A handwritten signature in blue ink, consisting of a large, sweeping loop on the left and a smaller, more intricate loop on the right, connected by a thin horizontal line.

Chairman Peter Krainock

ITAC9

The Trans-Pacific Partnership Trade Agreement

Report of the

Industry Trade Advisory Committee on Building Materials, Construction, and Non-ferrous Metals

DECEMBER 2015

December 1, 2015

Industry Trade Advisory Committee on Building Materials, Construction, and Non-ferrous Metals

Advisory Committee Report to the President, the Congress and the United States Trade Representative on the Trans-Pacific Partnership

I. Purpose of the Committee Report

In accordance with section 5(b)(4) of the Bipartisan Trade Priorities and Accountability Act of 2015, and section 135(e)(1) of the Trade Act of 1974, as amended, requires that advisory committees provide the President, the U.S. Trade Representative, and Congress with reports not later than 30 days after the President notifies Congress of his intent to enter into an agreement.

Under Section 135 (e) of the Trade Act of 1974, as amended, the report of the Advisory Committee for Trade Policy and Negotiations and each appropriate policy advisory committee must include an advisory opinion as to whether and to what extent the agreement promotes the economic interests of the United States and achieves the applicable overall and principle negotiating objectives set forth in the Trade Act.

The report of the appropriate sectoral or functional committee must also include an advisory opinion as to whether the agreement provides for equity and reciprocity within the sectoral or functional area.

Pursuant to these requirements, the Industry Trade Advisory Committee on Building Materials, Construction, and Non-ferrous Metals (ITAC 9) hereby submits the following report.

II. Executive Summary of Committee Report

ITAC 9 concludes that overall the Trans-Pacific Partnership Trade Agreement promotes the economic interests of the United States and achieves the negotiating objectives as set forth in the Trade Act. However, as noted in Section V, ITAC 9 urges robust enforcement of the agreement, as well as improvements to transparency and process in future agreements.

III. Brief Description of the Mandate of Industry Trade Advisory Committee on Building Materials, Construction, and Non-ferrous Metals

The Industry Trade Advisory Committee on Building Materials, Construction, and Nonferrous Metals (the Committee) is established by the Secretary of Commerce (the Secretary) and the United States Trade Representative (the USTR) pursuant to the authority of section 135(c)(2) of the Trade Act of 1974, as amended (19 U.S.C. §2155) (the Trade Act), as delegated by Executive Order 11846, as amended. In establishing the Committee, the Secretary and the USTR consulted

with interested private organizations and took into account the factors set forth in section 135(c)(2)(B) of the Trade Act. This Committee is being established in accordance with the provisions of the Federal Advisory Committee Act (FACA), as amended, 5 U.S.C. App. The Committee shall perform such functions and duties and prepare such reports as may be required by section 135 of the Trade Act with respect to the industry trade advisory committees. The Committee advises the Secretary and the USTR concerning the trade matters referred to in section 135(a)(1) of the Trade Act, and is consulted regarding the matters referred to in section 135(a)(2) of the Trade Act. The Committee functions solely as an advisory committee in accordance with the provisions of the FACA, as amended, 5 U.S.C. App., with the exceptions set forth in the Trade Act. In particular, the Committee provides detailed policy and technical advice, information, and recommendations to the Secretary and the USTR regarding trade barriers, negotiation of trade agreements, and implementation of existing trade agreements affecting its sectors; and performs such other advisory functions relevant to U.S. trade policy as may be requested by the Secretary and the USTR or their designees.

IV. Negotiating Objectives and Priorities

ITAC 9 advocates the following objectives and priorities in negotiating free trade agreements:

- * Coverage. ITAC 9 has consistently advocated adherence to the WTO requirement that trade promotion agreements include “substantially all” trade between the parties.
- * Rules of Origin. Unless rules of origin are properly specified, trade agreements can have serious unintended consequences that disadvantage U.S. exporters. ITAC 9 advocates that all trade agreements include sector-specific rules of origin at least as rigorous as those contained in the North American Free Trade Agreement.
- * Standards: Product standards and related licensing, testing, marking, product descriptions, and other technical issues have become major barriers to U.S. exports of products which the Committee seeks to eliminate. In many cases local specification for building products mirror standards created in the U.S., but U.S. manufacturers are still required to have their products tested and approved before trade is allowed.
- * U.S. Trade Remedy Laws. The U.S. antidumping duty, countervailing duty, safeguard, and other trade remedy laws are important and necessary for U.S. manufacturers. ITAC 9 has advocated that trade promotion agreements should in no way weaken the U.S. trade remedy laws.
- * Enforcement: ITAC 9 continues to advocate for robust enforcement of the obligations undertaken by the parties to the Agreement.

V. Advisory Committee Opinion on Agreement

ITAC 9 concludes that overall the Trans-Pacific Partnership Trade Agreement promotes the economic interests of the United States and achieves the primary objectives set forth in the Trade Act.

- Standards: The Committee supports the provisions in the Agreement for cooperation on technical regulations, standards and conformity assessment procedures. It is the hope of ITAC 9 that this part of the text leads to a better defined path along with a timetable for mutual recognition of such standards.
- Administrative Rulings: Administrative rulings in each country will shape its adherence to the treaty. In the aggregate, these rulings may serve to update the treaty's provisions and could determine its effectiveness. ITAC 9 is concerned that the administrative rulings of each country are aligned and that such rulings do not compromise the treaty's intent.
- Country of Origin: Because U.S. exporters depend on clear and uniform rules of origin, ITAC 9 supports the use of sector-specific rules of origin, such as those incorporated in the Free Trade Agreements with Chile, CAFTA, and NAFTA.
- Trade Remedy Laws: Because the U.S. antidumping duty, countervailing duty, safeguard, and other trade remedy laws are important and necessary for U.S. manufacturers, ITAC 9 supports the principle that trade promotion agreements should in no way weaken the U.S. trade remedy laws.
- Enforcement: ITAC 9 wishes to emphasize its strong desire that the adoption of the Agreement will provide sufficient impetus for more effective enforcement and coordination between the U.S. Department of Commerce and the U.S. Department of Homeland Security with enhanced focus on, and penalties for, circumvention.
- Process Concerns: ITAC 9 is concerned that our members were not accorded some level of additional information or early indications of the text of the agreement but rather had to wait until the full text was made public to fully comment. This has made a thorough review of the information dependent on summary documents or briefings that do not include actual text. Briefings are very helpful, but without the actual text we are largely unable to give strong advice to USTR or the Department of Commerce. Moreover, lack of access to the actual text creates additional delays in regard to obtaining meaningful feedback from industry. We strongly urge USTR and the Department find a better way in future trade agreements.

VI. Membership of Committee

Chairman

Mr. Peter A. Krainock
Chief Executive Officer
American International Supply Inc.

Vice-Chairman

Mr. Michael H. Goodman
President
Metallurgical Products Company

Mr. James R. Dale
Vice President, Member,
and Industry Relations
Metal Powder Industries Federation

Mr. Terence W. Dittrich
Global Sales Manager
Spancrete Machinery Corporation

Mr. Jeffrey S. Henderson
Director of Operations
Aluminum Extruders Council

Ms. Barbara C. Higgins
Executive Director
Plumbing Manufacturers International

Mr. Stephen G. Letko
Business Developer
The Weldbend Corporation
Representing The American Supply
Association

Mr. James L. Mallory
Executive Director
Non-Ferrous Founders' Society

Joseph L. Mayer, Esq.
Special Counsel, International Trade
Copper & Brass Fabricators Council, Inc.

Mr. Joseph C. Pickard
Chief Economist and Director
of Communications
Institute of Scrap Recycling Industries, Inc.

Daniel B. Pickard, Esq.
Partner
Wiley Rein LLP
Representing Diamond Saw Blades
Manufacturing Coalition

Mr. William G. Portnoy
President
Charleston Aluminum, LLC

Mr. Michael D. Riess
President
Materials Management Corporation
Representing International Precious Metals
Institute

Mr. Jonathan C. Savage
Vice President, Recycling
and International Distributor Development
Interstate Battery System of America, Inc.

Mr. Richard G. Walker
President and Chief Executive Officer
American Architectural Manufacturers
Association

Mr. Larry W. Webb
President
Quemetco Metals Limited, Inc.